

230225

197120



June 17, 2011

ENTERED
Office of Proceedings

JUN 21 2011

Part of
Public Record

EP 705

Mr. Daniel R. Elliot III
Chairman, Surface Transportation Board
395 E Street, SW
Washington, DC 20423

**SUBJECT: SURFACE TRANSPORTATION BOARD—JUNE 22-23, 2011 MEETING
RAIL COMPETITION HEARING**

Dear Chairman Elliot:

The California Chamber of Commerce is a not-for-profit organization committed to helping California businesses survive and thrive while complying with complex laws and regulations. Our almost 15,000 members are a diverse group, ranging from local companies with a handful of employees to large, multi-national corporations.

In light of the upcoming Surface Transportation Board (STB) hearing on rail competition, the CalChamber is writing to express our belief in the importance of maintaining the existing regulatory balance between the railroads and shippers. The Staggers Act was signed and enacted about 30 years ago, creating a balanced regulatory system that allowed the rail industry to be revitalized and flourish. Freight rail is a job generator and driver of the nation's economy. This must be sustained for the nation's ailing economy to recover. This cannot be accomplished unless the STB maintains the current regulatory balance as fashioned by the Staggers Act.

In California, rail plays an integral role in the economy and in creating jobs for the state, and for the US. California hosts three major ports—the Ports of Oakland, Long Beach and Los Angeles. Approximately 40 percent of goods coming into the US first go through these three ports, so goods movement at these ports and through the state via rail is vital to the country. Strong freight rail infrastructure also reduces highway congestion and reduces air pollution.

For these reasons, the CalChamber supports the existing regulatory framework for freight rail and asks the STB to maintain this delicate—but effective—balance.

Cordially,

Thomas Vu
Policy Advocate